

1. Civil aviation is a particularly effective Cold-War weapon because under-developed nations are eager to win international prestige by showing their flag on international airlines. Modern aircraft are regarded by these nations as impressive symbols of progress and modernity. Already many small nations are sponsoring international airlines that are doomed to be perpetual money-losers. The Soviets have no reluctance to encourage this sort of activity in non-Bloc countries because the more economic troubles these countries have, the better the chances for Communist penetration. In Afghanistan, Yemen, and the UAR; the Soviets have shown their willingness to encourage the most unrealistic dreams of the national leaders with respect to civil aviation.

Aid in the field of civil aviation, in contrast to military aid, is apparently peaceful and a help to the economy of the recipient nation and its workers.

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2.a. The Soviets are in a position to exploit civil aviation as a Cold-War weapon in ways not open to a free economy. The rapid development and conspicuous exploitation of the Tu-104 is a prime example. An uneconomical airplane that no US airline would accept as a gift, the Tu-104 enabled the Soviets to get a successful major jet passenger transport into the international airlines a full three years ahead of the US. The Tu-104 has been used for a score of international junkets drawing huge crowds at airports from Vancouver to Tokyo. The boost to Soviet prestige has been immeasurable -- the next greatest thing to Sputnik.

b. The Soviet system makes it possible to offer their aircraft abroad at least on a limited scale, at whatever price suits the Soviet policy aim of the moment. The Tu-104 has been offered both in Europe and Japan at as little as \$1.2 million, whereas its cost of production is estimated to be about \$3.5 million. Several Il-14's have been presented as gifts to leaders of countries the Soviets aimed to influence.

c. Another advantage offered by the Soviet system is a relatively great degree of speed and flexibility in making offers to underdeveloped countries. On the one hand they need not consider the rights and interests of competing aircraft makers and on the other hand they can ignore the needs of domestic air service. One example of the latter point is their probable intent of soon turning over some Il-18's to Communist China despite the urgent need for them in the USSR. The gains to be derived from having

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their so recently backward Asiatic ally flaunting these impressive turboprop aircraft before the admiring eyes of the rest of underdeveloped Asia outweighs this need. Their is evidence that the Chinese are preparing

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aircraft. The recent Soviet efforts to achieve a further penetration of Afghanistan, the success of which remains to be seen, is an illustration of their superior flexibility in this field of operations. It may be added that they have little difficulty in persuading competent technicians to accept assignments in these unattractive parts of the world.

d. A further advantage that the Soviets have in forwarding their civil air penetration in the underdeveloped areas is their ability to capitalize on the often irrational anti-imperialism that exists there.

Besides giving technical and material aid, the Soviets can win friends by flying their biggest and most impressive aircraft on unprofitable schedules to the underdeveloped capitals they wish to influence. Their new routes to Cairo and New Delhi are not good economics, but they are good politics. It is notable that so many of the Tu-104's are devoted to international service, where the payload is often ridiculously light whereas the domestic demand is such that there are constant waiting lists for many of the Tu-104 flights.

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3. The uneconomic features that have been an embarrassing weakness in Soviet aircraft design are fully recognized by the Soviet leadership, and they are taking prompt and rational steps to correct this. The Tu-104 has been properly disparaged for carrying fewer passengers than the French Caravelle, for example, while having almost twice the weight and power. Quickly the 50-passenger Tu-104 was followed by the 70-passenger adaptation called the Tu-104A. Recently a 100-passenger version, the Tu-104B has been announced. If the 100-passenger version does not cost appreciably more to operate than the 50-passenger version, it will possibly be a practical, commercial aircraft. Similarly the An-10, which appeared to be a fairly economical aircraft to begin with in its 84- and 126-passenger version, has had various improvements made and its capacity increased to 130 in a newly announced version called the An-16. The Il-18 appears to be genuinely competitive with the Lockheed Electra and there may be more than 35 of them built by now. Several have been used for the past few months, mostly on stages of the Trans-Siberian route, carrying freight and in at least one case, passengers. A special advantage claimed for the Il-18 and the An-10 for the penetration of underdeveloped areas is an outstandingly short field requirement for landing and taking off. The high-winged An-10 is supposed to be able to use sod airstrips.

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4. The ability of the Soviets to concentrate their technical forces where they count most in international competition--military weapons, space technology, atomic energy, and modern aircraft, enables them to provide severe and top-rate competition in these fields. Considering that four years ago they were an underdeveloped country in civil aviation, their progress in this field has been amazing and their potential over the next several years must be respected. It is possible, if not indeed likely, that they will score another world-startling first in flying the first atomic powered aircraft.